



STATE OF RHODE ISLAND
**ENERGY EFFICIENCY &
RESOURCE MANAGEMENT COUNCIL**

EXECUTIVE COMMITTEE MINUTES

Thursday, April 3, 2015

2:00 - 3:00 PM

Bureau of Audits Conference Room, 4th Floor
Department of Administration
One Capitol Hill, Providence, RI

In Attendance: Abigail Anthony, Ryan Crowley, Marisa Desautel, Marion Gold, Mike Guerard, Chris Kearns, Michael McAteer, Danny Musher, Chris Powell, Rachel Sholly, Nick Ucci

1. Call to Order

Chris Powell called the meeting to order at 2:06 PM.

2. Approval of Executive Committee March Meeting Minutes

Nick Ucci recommended a grammatical change and that one sentence be removed from the March minutes. Abigail Anthony made a motion to approve Executive Committee March meeting minutes. Chris Powell seconded and the motion passed.

3. Review of Draft EERMC April Meeting Agenda

The April agenda will include the following items: Approval of March Meeting Minutes, Executive Director Report, Legislative Update, Discussion of Combined Heat and Power Program, EERMC Annual Report Update, Financing Update, and Preliminary Overview of RGGI Allocation Plan.

4. Executive Director Report

Commissioner Marion Gold briefed the Executive Committee on the 2015 Energy Forum that took place at Taco, Inc. She said the intent of the forum was to inform TEC-RI members of energy issues. There were many representatives from National Grid, various energy companies and the business community. The forum was a two-day session. Day one was designed for business executives. Governor Raimondo, Speaker Mattiello, John Hazen White and Tim Horan spoke at the event. The Governor promoted the infrastructure bank and her priorities regarding the economy and innovation spoke specifically about the PACE program.

Michael McAteer added that Governor Raimondo also spoke about how she wants to work regionally with the other governors and seems to have taken a leadership role in this area. Mr. Ucci added that the natural gas supply to the region plays an important role in decreasing volatility but the Governor, Speaker Mattiello

and Tim Horan reiterated that energy efficiency and renewable generation are on the agenda. He also noted that there seems to be a consensus between the Governor and Speaker Mattiello on how to move forward.

5. Finance Study Update

Danny Musher gave an update with Mike Guerard on the Dunsky finance study. A financing subcommittee will be appointed to identify the next tasks that must be undertaken and direct the work. Mr. Guerard noted that there should be no expectation that the finance subcommittee does the work, but rather guides the process. Ms. Anthony suggested that a prioritized list be provided to help streamline the process. This list should include short-term, medium-term and long-term priorities. Mr. Powell added that in addition to the prioritized list, the list as presented to the Executive Committee should remain intact because the level of detail is necessary.

Mr. Guerard said that there is concern about how the subcommittee would proceed with meetings on this subject matter. Marisa Desautel added that there must be public notice for any kind of meeting or gathering of this group.

Mr. Powell asked if the Treasurer's Office is going to fund any of the project. Mr. Guerard responded saying that Dunsky has already reached out to the Clean Water Finance Authority directly to offer its services. Mr. Powell reminded the Committee that the EERMC has limited funding and cannot take on every new initiative that is proposed. Ms. Anthony said the Council needs to identify its needs and then allocate the funds that may be available. Ms. Anthony stated her concern that the EERMC has not been able to fully review and analyze the RI Infrastructure Bank (RIIB) proposal. Commissioner Gold suggested that there be some pause on continuing the study until the Sub A language of the budget article has been worked out.

6. EERMC Annual Report Update

Rachel Sholly updated the Executive Committee on the status of the EERMC Annual Report. The third policy recommendation was removed after further discussion and some content was added to the system integration section. Ms. Sholly reminded the Council that comments are due by Wednesday April 8. The report will be voted on at the April 9 Council meeting. She also asked for input regarding how the report will be distributed. She noted that the distribution list may need updating. Ms. Anthony suggested that in addition those on the current distribution list, the Council should consider sending copies of the report to other state energy offices in the region.

7. Legislative Update

Proposed energy legislation

Chris Kearns briefed the Council on the status of the RIIB portion of Article 24 in the budget. He noted that the Treasurer's Office has taken the lead on Article 24 and that OER has remained engaged with Treasury and the Governor's Office. He said there would be a Sub A amendment to the article and that stakeholders will have the opportunity to comment publicly. He also stated that the Council should only begin to review the legislation after changes and amendments have been presented and that the language in the bill may change quite a bit over the course of the legislative process.

Mr. Kearns also reported that legislation to extend the Least Cost Procurement law for a 12-year period and adjusting the administrative funding for the EERMC and OER were presented and that there was unanimous support at the hearing.

Draft letter to General Assembly on performance incentive cap

Ms. Anthony presented her draft of the letter to the General Assembly and asked for feedback. Mr. Kearns noted that the Senate bill that the letter references does not have a companion bill in the House, thus dramatically reducing its chances of being implemented. After a brief discussion about whether or not to send the letter, Ms. Anthony suggested that distributing the letter may serve as a good educational opportunity. The Council members agreed to review the letter over the course of the following week and may vote on it at the next Council meeting. Mr. Powell noted that the conclusion might need to be altered slightly.

8. Other Business

Discussion of combined heat and power program

Mr. Guerard noted that there is some concern within National Grid about the efficiency minimum. Because CHP is a different type of system, it is only going to reach 53 percent efficiency as opposed to the minimum threshold of 55 percent. Ms. Anthony stated that the rules were written for a typical natural gas CHP facility. National Grid argues that a biomass facility at 53 percent is better suited because it has a higher heat content. Mr. Powell noted that environmental and economic benefits of the decisions the Council makes need to be determined before implementing those same decisions. The Executive Committee decided that the rules of CHP rules should be reviewed and rewritten as needed.

9. Vermont Energy Investment Corporation (VEIC) Potential Conflict of Interest

Scudder Parker said the consultant team has identified some possible conflicts of interest. The consultant team will try and resolve the issues internally, but may need to work with someone from the Council. He asked if someone could from the Council could review the identified potential conflicts. Ms. Desautel will review and suggested that it be discussed at the full council meeting.

10. Adjournment

Chris Powell adjourned the meeting at 3:20 PM.

Full EERMC Meeting: Thursday, April 9th 3:30-5:30 PM; Conf. Room B

Next Exec. Comm. Meeting: Thursday, May 7th 2:00-3:00 PM; Conf. Room B